COUNCIL AGENDA: 5-16-06

ITEM: 3.5



# Memorandum

TO: HONORABLE MAYOR

AND CITY COUNCIL

FROM: Elections Commission

Richard Doyle City Attorney

Lee Price City Clerk

SUBJECT: Initial Report – Voter-Owned

Campaign Concept

**DATE:** May 11, 2006

#### RECOMMENDATION

Accept the Initial Report of the Elections Commission which outlines the preliminary work plan and timeline regarding the Voter-Owned Campaign concept, request for appropriation action and authorize the City Attorney to contract with Alex Stuart.

#### BACKGROUND

On April 18, 2006, the City Council approved the recommendation from Mayor Gonzales directing the San Jose Elections Commission to explore the creation of a fully public-funded voter-owned campaign ordinance that would take effect in time for the municipal primary elections in June 2008. The direction included a report back in May to the Council with a timeline and more inclusive process and necessary staffing needs.

On May 1, 2006, the Elections Commission discussed and prepared a tentative work plan in response to the Council's direction. This report will provide an outline of the work plan and summarize the Commission's request for a budget appropriation and authorization for the City Attorney to contract with attorney and former Commission Chair Alex Stuart.

# ANALYSIS

# A. Election Commission Work Plan (tentative)

At its May 1 meeting, the Election Commission discussed a tentative work plan with respect to the exploration of a fully publicly funded Voter-owned campaign ordinance as directed by the City Council. The tentative work plan and the timeline incorporates the Commission's understanding that its workload and the timeline could be affected by the filing of any complaints during the election cycle, the need for extensive research on

HONORABLE MAYOR AND CITY COUNCIL

May 11, 2006

Subject: Initial Report - Voter-Owned Campaign Concept

Page 2

public financing of campaigns and public input through the public hearing process. An additional consideration included the flexibility of Commissioners' personal schedules and outside work commitments.

The Elections Commission's tentative work plan consists of four phases:

Phase I (through June 30)

- Preliminary research
- Determination of criteria for research and survey by Commission
- Compilation of results of formal research and survey
- · Analysis of legal issues of public campaign financing

Phase I will include an analysis of common themes and rationales of existing public financing systems; advantages and disadvantages of existing systems; determination of reasonable schedule for thorough examination and recommendation process; cost estimate of the complete Commission work plan

Phase 2 (through August 30)

- Determination of best agenda and methodology for public input and participation in the recommendation and decision making process
- Public notice and publication of the public participation schedule

Phase 3 (through Mid-November)

- Public hearings in each City Council District
- Compilation of public input

Phase 4 (through November 30)

- Commission deliberations
- Commission recommendations and/or public financing proposal presented to City Council

# B. Request for Assistance - Consultant Alex Stuart

The Elections Commission is requesting that the City Council authorize the City Attorney to negotiate and execute an agreement in an amount not to exceed \$40,000 with attorney Alex Stuart to provide consulting services to the Elections Commission. Mr. Stuart has served as Chairman of the Commission for 8 years through 2004. As a member of the Commission, he participated in many complex investigations and hearings under the City's Campaign Contribution Ordinance. He has also served as independent legal counsel to the Commission for certain complaints.

Alex Stuart's experience and expertise will be of great benefit to the Elections Commission in meeting the direction of the Council to research, review and analyze the HONORABLE MAYOR AND CITY COUNCIL May 11, 2006

Subject: Initial Report - Voter-Owned Campaign Concept

Page 3

issues relating to voter owned campaigns and public financing of campaigns. If authorized by the Council, Mr. Stuart will work very closely with staff and the Commission in completing this task.

### C. Request for Budget Appropriation

It is recommended that the City Council request that the City Manager bring back in three weeks an appropriation action to allocate \$50,000 from the contingency reserve to the Elections Commission for expenses related to implementation of the work plan.

#### **PUBLIC OUTREACH**

Not applicable.

Tom Mertens

Chair Elections Commission

ertens bylp

Richard Doyle

City Attorney

Lee Price

City Clerk, MMC

cc: Les White